



Secretary of Energy Advisory Board
Washington, DC 20585

October 2, 1998

Dr. Walter Massey
Chairman, Secretary of Energy Advisory Board
c/o Morehouse College
830 Westview Drive, S.W.
Atlanta, Georgia 30314

Dear Dr. Massey:

On behalf of the Task Force on Electric System Reliability of the Secretary of Energy Advisory Board, I am pleased to provide you with the final Task Force report, *Maintaining Reliability in a Competitive U.S. Electricity Industry*. This report was approved by the Task Force members at our September 29, 1998 meeting and concludes the Task Force's work.

Over the past twenty-one months, the Task Force has worked diligently to provide advice to the Department of Energy on the critical institutional, technical, and policy issues that need to be addressed to maintain the reliability of the bulk-power electric system in the context of a more competitive industry. We believe that the twenty-eight recommendations contained in this report are balanced, nondiscriminatory, and achievable. Furthermore, we believe that it is critically important that the Department and other electric industry participants move quickly to implement these recommendations. Until the new reliability policies and institutions are in place, substantial parts of North America will be exposed to unacceptable risk.

I appreciate the opportunity to have participated in this effort and look forward to presenting our results at the next meeting of the Secretary of Energy Advisory Board.

Sincerely,

A handwritten signature in black ink, which appears to read "Philip Sharp", is written over the typed name and title.

Dr. Philip Sharp
Chairman,
Task Force on Electric System Reliability

Enclosure

cc: Bill Richardson, Secretary of Energy
Elizabeth Moler, Deputy Secretary of Energy
Skila Harris, Secretary of Energy Advisory Board